

# SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are restricted by law or administrative action to expenditures for specified purposes.

Annual budgets are established for the following Special Revenue Funds:

Community Development

HOME Program

Hospitality Tax

Sunday Alcohol Permits

State Accommodations Tax

Local Accommodations Tax

Admissions Tax

Victim Witness

Utility Undergrounding



# COMMUNITY DEVELOPMENT

The Community Development Fund is a special revenue fund used to record the receipt and expenditure of Community Development Block Grant (CDBG) monies. The Community Development program strives to upgrade the living conditions of low and moderate income persons in targeted areas within the City of Greenville. A number of projects are funded by CDBG monies, including low-interest rehabilitation loans, new home ownership, housing assistance programs, and the offering of financial and administrative support to various public improvements and human service projects.

COMMUNITY DEVELOPMENT				
	2009-10	2010-11	2011-12	2012-13
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
<b>REVENUES</b>				
Entitlement	\$ 1,387,589	1,489,987	1,060,597	0
Interest	592	1,508	0	0
Other	2,129	14,763	3,483	0
<b>TOTAL REVENUES</b>	<b>1,390,310</b>	<b>1,506,258</b>	<b>1,064,080</b>	<b>0</b>
<b>EXPENDITURES</b>				
Administration	492,962	496,841	519,239	0
Projects	896,013	958,643	544,841	0
<b>TOTAL EXPENDITURES</b>	<b>1,388,975</b>	<b>1,455,484</b>	<b>1,064,080</b>	<b>0</b>
Excess (deficiency) of revenues over expenditures	1,335	50,774	0	0
Fund balance, beginning of year	93,781	95,116	145,890	145,890
Fund balance, end of year	\$ 95,116	145,890	145,890	145,890
<b>STAFFING</b>				
Full-Time Staff	8	8	9	10
*Two positions for the Community Challenge Grant are paid for out of the Miscellaneous Grants Fund, but are recorded here for organizational purposes only.				

## FY 2012-13 BUDGET HIGHLIGHTS

It is anticipated that the Department of Housing and Urban Development will not release allocation amounts for FY 2012-13 until May 30. Therefore, no budget is proposed at present and a supplemental appropriation ordinance shall be presented to City Council when those allocations are known.

# HOME PROGRAM

The HOME Program Fund is used to record receipts and expenditures related to the HOME Program grant. This program is aimed at expanding the supply of decent affordable housing for low-income residents, with most of the projects designated for five Community Development target areas.

HOME PROGRAM				
	2009-10	2010-11	2011-12	2012-13
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
<b>REVENUES</b>				
Grant	\$ 931,931	173,803	372,857	0
Other	190	120	50	0
<b>TOTAL REVENUES</b>	<b>932,121</b>	<b>173,923</b>	<b>372,907</b>	<b>0</b>
<b>EXPENDITURES</b>				
Program Expenditures	932,321	171,036	372,907	0
<b>TOTAL EXPENDITURES</b>	<b>932,321</b>	<b>171,036</b>	<b>372,907</b>	<b>0</b>
Excess (deficiency) of revenues over expenditures	(200)	2,887	0	0
Fund balance, beginning of year	123,395	123,195	126,082	126,082
Fund balance, end of year	\$ 123,195	126,082	126,082	126,082

## FY 2012-13 BUDGET HIGHLIGHTS

It is anticipated that the Department of Housing and Urban Development will not release allocation amounts for FY 2012-13 until May 30. Therefore, no budget is proposed at present and a supplemental appropriation ordinance shall be presented to City Council when those allocations are known.

# HOSPITALITY TAX

By City Ordinance No. 2000-79, the City of Greenville enacted a 2% hospitality tax on prepared meals and beverages in the City, which went into effect July 1, 2001. The proceeds are to be used for tourist-related activities, improvements, and facilities. The hospitality tax is governed by Article 7, Local Hospitality Tax, of Chapter 1, Title 6 of the South Carolina Code of Laws.

HOSPITALITY TAX				
	2009-10	2010-11	2011-12	2012-13
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
<b>REVENUES / TRANSFERS IN</b>				
Hospitality Tax	\$ 6,059,401	6,571,109	6,550,000	7,200,000
Penalties/Late Fees	19,745	21,791	25,000	20,000
Interest	148,363	74,820	5,000	5,000
Bond Proceeds	0	18,628,294	0	0
Transfers In	150,518	150,000	150,000	150,000
	<u>6,378,027</u>	<u>25,446,014</u>	<u>6,730,000</u>	<u>7,375,000</u>
<b>EXPENDITURES / TRANSFERS OUT</b>				
Operating Expenditures	2,500	50,000	0	0
2001 COPs Principal	950,000	0	0	0
2001 COPs Interest	825,500	656,250	0	0
2004 COPs Principal	260,000	270,000	280,000	285,000
2004 COPs Interest	216,793	198,388	194,105	184,445
2011 Revenue Bond Principal	0	0	1,065,000	1,200,000
2011 Revenue Bond Interest	0	0	908,865	764,136
Other Debt Service Costs	0	16,503,973	0	0
Transfer to Miscellaneous Grants	0	2,425	0	0
Transfer to TD Convention Center	807,340	2,184,219	853,959	1,027,321
Transfer to Capital Projects Fund	150,000	2,022,555	689,161	1,195,000
Transfer to Parking Fund	0	0	557,000	0
Transfer to Zoo Enterprise Fund	475,000	475,000	475,000	499,000
Transfer to General Fund	2,174,927	2,226,399	2,374,921	2,490,607
	<u>5,862,060</u>	<u>24,589,209</u>	<u>7,398,011</u>	<u>7,645,509</u>
Excess (deficiency) of revenues over expenditures	<u>515,967</u>	<u>856,805</u>	<u>(668,011)</u>	<u>(270,509)</u>
Fund balance, beginning of year	3,927,345	4,443,312	5,300,117	4,632,106
Fund balance, end of year	\$ <u>4,443,312</u>	<u>5,300,117</u>	<u>4,632,106</u>	<u>4,361,597</u>
<b>Fund Balance</b>				
Reserved for debt service reserve fund	\$ 2,381,943	2,168,592	2,381,943	2,168,592
Reserved for debt service monthly deposits	563,447	829,504	563,447	829,504
Fund Balance Reserve	500,000	500,000	500,000	500,000
Undesignated	997,922	0	0	0
Restricted for Tourism Related Expend.	0	1,802,021	1,186,716	863,501
	<u>\$ 4,443,312</u>	<u>5,300,117</u>	<u>4,632,106</u>	<u>4,361,597</u>

*(HOSPITALITY TAX CONTINUED)***FY 2012-13 BUDGET HIGHLIGHTS**

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The Hospitality Tax Fund budget reflects:

- Hospitality tax revenues (not including delinquents or penalties) are projected to increase by 9.9% over the FY 2011-12 budget estimate. This is due to the improving economy and better than anticipated year-to-date collections in FY 2011-12.
- The transfer to the TD Convention Center Fund is \$1,027,321. Of this, \$917,321 is for the facility's operating loss and \$110,000 for the TD Convention Center Kitchen Retrofit project.
- The transfer to the Zoo Fund is \$499,000. This offsets operating losses at that facility.
- \$2,490,607 is transferred to the General Fund to offset operating expenditures associated with special events and tourism. This transfer is used primarily for public safety, parks and recreation, as well as other staff support for special events and tourism. Funding also includes debt service for eligible projects and collection costs.
- \$1,195,000 is for the following capital projects:
  - Haywood Road/Woods Crossing Intersection (\$194,000)
  - Park Restrooms (\$218,000)
  - Cancer Survivors Park (\$94,000)
  - NEXT Trail Connector (\$75,000)
  - Falls Park Improvements (\$608,000)
  - Village of West Greenville (\$100,000)
  - Swamp Rabbit Trailheads (-\$54,000)
  - Swamp Rabbit Trail Bridge at Cleveland St. (-\$40,000)
- Maintains \$500,000 fund balance reserve to account for unanticipated opportunities and potential fluctuations in the revenue stream.

**CHANGE IN FUND BALANCE**

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The projected decrease in fund balance from \$4,632,106 to \$4,361,597, or 5.8%, is attributable to utilizing existing balances for the capital projects in the FY 2012-13 Capital Budget.

# SUNDAY ALCOHOL PERMITS

As approved by City voters in 1999, special permits are issued by the State Department of Revenue for the sale of alcoholic beverages on Sundays in the City of Greenville. The revenue may be used only for capital improvements to tourism-related buildings; the purchase or renovation of buildings which are historic properties; festivals with an impact on tourism; and open space preservation. The revenue may not be used for operating expenses of tourism-related buildings. The revenue estimate for FY 2012-13 is based on the issuance of 80 annual permits at \$3,000 each. City Council adopted a Grant-In-Aid Policy, which stipulates that \$20,000 be reserved for the Art in Public Places program and \$20,000 be reserved for a City Council contingency.

SUNDAY ALCOHOL PERMITS				
	2009-10	2010-11	2011-12	2012-13
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
<b>REVENUES</b>				
Permit Fee	\$ 245,100	239,030	230,000	240,000
Interest	272	295	300	300
Transfers In	0	278	0	0
<b>TOTAL REVENUES</b>	<u>245,372</u>	<u>239,603</u>	<u>230,300</u>	<u>240,300</u>
<b>EXPENDITURES / TRANSFERS OUT</b>				
Transfer to Hospitality Tax Fund	100,000	100,000	100,000	100,000
Transfer to Capital Projects Fund	25,000	110,000	150,000	0
Art in Public Places	10,750	28,300	20,000	20,000
City Council Reserve	10,000	0	20,000	20,000
<b>TOTAL EXPENDITURES</b>	<u>145,750</u>	<u>238,300</u>	<u>290,000</u>	<u>140,000</u>
Excess (deficiency) of revenues over expenditures	<u>99,622</u>	<u>1,303</u>	<u>(59,700)</u>	<u>100,300</u>
Fund balance, beginning of year	73,099	172,721	174,024	114,324
Fund balance, end of year	<u>\$ 172,721</u>	<u>174,024</u>	<u>114,324</u>	<u>214,624</u>

## FY 2012-13 BUDGET HIGHLIGHTS

The Sunday Alcohol Permits Fund budget reflects:

- An increase of 4.3% in projected total revenues from the FY 2011-12 revenue estimate is based on prior and current year collections.

## CHANGE IN FUND BALANCE

The projected increase in fund balance from \$114,324 to \$214,624, or 87.7%, is attributable to accumulating funds for future capital projects proposed in the planning years of the *FY 2013-2017 Capital Improvement Program*.

# STATE ACCOMMODATIONS TAX

By a 1984 act of the General Assembly, a 2% tax is imposed on all accommodations in the State of South Carolina. These monies are collected by the State and distributed to counties and municipalities. The proceeds must be spent for tourism promotion and tourism-related expenditures. Projects are reviewed by an Accommodations Tax Advisory Committee.

State law provides that (a) the first \$25,000 must be allocated to the City's General Fund for general purpose use; (b) 5% of the balance must also be allocated to the City's General Fund; (c) 30% of the balance must be allocated for the purpose of advertising and promotion of tourism; and (d) the remaining balance must be used for tourism-related expenditures.

The City Council adopted a Grant-In-Aid Policy that stipulates the establishment of a City Council reserve for unanticipated events, festivals, and other opportunities. This budget includes \$50,000 for the Council's contingency.

STATE ACCOMMODATIONS TAX				
	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2012-13 <u>Budget</u>
<b>REVENUES</b>				
Intergovernmental	\$ 1,049,375	1,240,425	1,250,000	1,330,000
Interest	793	532	200	500
<b>TOTAL REVENUES</b>	<b>1,050,168</b>	<b>1,240,957</b>	<b>1,250,200</b>	<b>1,330,500</b>
<b>EXPENDITURES / TRANSFERS OUT</b>				
Operating Expenditures	202	202	0	0
Transfer to General Fund	235,692	247,417	236,250	240,250
Transfer to Hospitality Tax Fund	50,000	50,000	50,000	50,000
City Council Reserve - Grant-In-Aid Policy	19,000	20,000	50,000	50,000
Tourism Promotions - CVB	307,312	364,627	367,500	391,500
Tourism Projects	437,370	513,700	601,250	578,750
<b>TOTAL EXPENDITURES</b>	<b>1,049,576</b>	<b>1,195,946</b>	<b>1,305,000</b>	<b>1,310,500</b>
Excess (deficiency) of revenues over expenditures	592	45,011	(54,800)	20,000
Fund balance, beginning of year	93,065	93,657	138,668	83,868
Fund balance, end of year	\$ 93,657	138,668	83,868	103,868

## FY 2012-13 BUDGET HIGHLIGHTS

The State Accommodations Tax budget reflects:

- The annual transfer of \$50,000 to the Hospitality Tax Fund to help support the 2004 Certificate of Participation (COPs) debt service.
- \$150,000 is transferred to the General Fund for the Arena District Payment for the Bi-Lo Center, year 16 of 20.



*(STATE ACCOMMODATIONS TAX CONTINUED)*

## FY 2012-13 ALLOCATION OF STATE ACCOMMODATIONS TAX REVENUES

Total Revenues	\$1,330,000
First \$25,000 to General Fund	<u>(\$25,000)</u>
	\$1,305,000
5% of Balance to General Fund	(\$65,250)
30% to Tourism Promotion	<u>(\$391,500)</u>
Subtotal	\$848,250
Set Aside - City Council Reserve	(\$50,000)
Contribution to TD Convention Center Debt Service	(\$50,000)
Arena District Payment - Transfer to General Fund	<u>(\$150,000)</u>
Current Revenues Available for Tourism Expenditures	<u><u>\$598,250</u></u>

## DISBURSEMENT OF FUNDING (TOURISM-RELATED EXPENDITURES)

	FY 11/12 <u>Budget</u>	FY 12/13 <u>Budget</u>
Greenville CVB	\$250,000	\$268,750
Metropolitan Arts Council	191,250	200,000
Transportation Museum of the World - Miniature World of Trains	0	10,000
Euphoria	25,000	25,000
Artisphere	25,000	25,000
Scottish Games	10,000	10,000
Downtown Brochures, Kiosks, and Maps	20,000	10,000
Notus Sports - Paracycling	0	10,000
Upstate Visual Arts	10,000	0
American Legion Post 3 War Museum	5,000	0
Black Expo	0	5,000
BMW Charity Pro-Am	5,000	10,000
Greenville Chautauqua Society	5,000	5,000
InnoMobility 2011	25,000	0
Medalist Sports	25,000	0
Children's Museum of the Upstate	5,000	0
TOTAL	<u><u>\$601,250</u></u>	<u><u>\$578,750</u></u>

## CHANGE IN FUND BALANCE

The projected increase in fund balance from \$83,868 to \$103,868, or 23.8%, is attributable to building fund balance for future tourism projects and programs.

# LOCAL ACCOMMODATIONS TAX

By City Ordinance No. 1994-27, the City of Greenville in 1994 enacted a local accommodations tax of 2.3% of gross receipts of businesses engaged in providing accommodations for transients within the jurisdiction of the City. The proceeds of this 2.3% are to be used primarily to repay debt incurred for the construction of the Bi-Lo Center and are subject to annual appropriation of City Council. By City Ordinance No. 2004-48, the City in 2004 extended the authorization of the local accommodations tax of 0.7% of gross receipts of businesses engaged in providing accommodations for transients within the jurisdiction of the City. All taxes collected under this ordinance are used to defray the cost of tourism marketing services, subject to annual appropriation by City Council. The appropriation provides for the distribution of accommodations taxes to the Bi-Lo Center and tourism marketing services, excluding a 4% collection cost.

LOCAL ACCOMMODATIONS TAX				
	2009-10	2010-11	2011-12	2012-13
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
<b>REVENUES</b>				
2.3% tax	\$ 1,311,493	1,544,376	1,546,000	1,722,000
0.7% tax	399,158	471,505	471,000	523,500
Other/Penalties	556	6,048	0	1,000
<b>TOTAL REVENUES</b>	<b>1,711,207</b>	<b>2,021,929</b>	<b>2,017,000</b>	<b>2,246,500</b>
<b>EXPENDITURES / TRANSFERS OUT</b>				
Auditorium District	1,180,388	1,076,489	1,040,333	1,090,672
CVB	383,192	452,645	452,160	502,560
Transfer to General Fund	15,966	18,860	18,840	20,940
Transfer to TDCC Fund	0	0	0	50,000
<b>TOTAL EXPENDITURES</b>	<b>1,579,546</b>	<b>1,547,994</b>	<b>1,511,333</b>	<b>1,664,172</b>
Excess (deficiency) of revenues over expenditures	131,661	473,935	505,667	582,328
Fund balance, beginning of year	32,632	164,293	638,228	1,143,895
Fund balance, at end of year	\$ 164,293	638,228	1,143,895	1,726,223

## FY 2012-13 BUDGET HIGHLIGHTS

The Local Accommodations Tax budget reflects:

- \$50,000 is being transferred to the TD Convention Center Fund to replace furnishing, fixtures, and equipment.

## CHANGE IN FUND BALANCE

The projected increase in fund balance, from \$1,143,895 to \$1,776,223, or 50.9%, is attributable to lower debt service resulting from the Bi-Lo Center's recent bond refinancing. As a result, excess funds are being returned to the City.

# ADMISSIONS TAX

The Tourism Infrastructure Admissions Tax Act allows 50% of the State Admissions Tax to be directed to qualified tourism establishments for the purpose of public infrastructure improvements. Of this amount, half is directed to the municipality where the facility is located and half is placed in a special infrastructure development fund to be distributed based on an application made by the local government. The City has two qualifying facilities within its boundaries: the Bi-Lo Center and Fluor Field. The City applied to and received approval from the Department of Commerce to access the special infrastructure development funds for both facilities. Revenues associated with the Bi-Lo Center are remitted to the Auditorium District, while revenues associated with Fluor Field are currently accumulating in anticipation of public improvements to areas adjoining the baseball stadium.

ADMISSIONS TAX				
	2009-10	2010-11	2011-12	2012-13
REVENUES	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Bi-Lo Center Grant	\$ 146,005	83,788	130,000	100,000
Fluor Field Grant	0	9,959	23,000	23,000
Bi-Lo Center Tax	140,909	115,876	130,000	100,000
Fluor Field Tax	46,649	35,760	23,000	23,000
<b>TOTAL REVENUES</b>	<b>333,563</b>	<b>245,383</b>	<b>306,000</b>	<b>246,000</b>
<b>EXPENDITURES / TRANSFERS OUT</b>				
Auditorium District	287,914	199,664	260,000	200,000
Transfer to Capital Proj. Fund	30,000	48,000	0	0
<b>TOTAL EXPENDITURES</b>	<b>317,914</b>	<b>247,664</b>	<b>260,000</b>	<b>200,000</b>
Excess (deficiency) of revenues over expenditures	15,649	(2,281)	46,000	46,000
Fund balance, beginning of year	98,225	113,874	111,593	157,593
Fund balance, at end of year	\$ 113,874	111,593	157,593	203,593
<b>Fund Balance</b>				
Fluor Field Reserve	113,874	111,593	157,593	203,593
\$	113,874	111,593	157,593	203,593

## CHANGE IN FUND BALANCE

The projected increase in fund balance from \$157,593 to \$203,593, or 29.2%, is due to the accumulation of revenues associated with Fluor Field in anticipation of future improvements to areas adjoining the baseball stadium.

# VICTIM WITNESS

The Victim Witness Fund is used to record receipts from special court revenue and expenditures associated with the Victim Assistance Program mandated by the State of South Carolina. The funds are used to support two staff members within the Support Division of the Police Department who provide support to victims of violent crimes. A staff member is on-call 24-hours a day. Victims are educated about the process of the criminal justice system and are referred to counseling if necessary.

VICTIM WITNESS FUND				
	2009-10	2010-11	2011-12	2012-13
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
<b>REVENUES</b>				
Fees	\$ 79,840	74,154	71,500	82,800
General Fund Transfer	0	0	0	29,551
<b>TOTAL REVENUES</b>	<b>79,840</b>	<b>74,154</b>	<b>71,500</b>	<b>112,351</b>
<b>EXPENDITURES</b>				
Program Expenditures	103,514	104,873	108,728	111,709
<b>TOTAL EXPENDITURES</b>	<b>103,514</b>	<b>104,873</b>	<b>108,728</b>	<b>111,709</b>
Excess (deficiency) of revenues over expenditures	(23,674)	(30,719)	(37,228)	642
Fund balance, beginning of year	90,979	67,305	36,586	(642)
Fund balance, end of year	\$ 67,305	36,586	(642)	0
<b>STAFFING</b>				
Full-Time Staff	2	2	2	2

## FY 2012-13 BUDGET HIGHLIGHTS

The Victim Witness Fund budget reflects:

- A General Fund transfer of \$29,551 has been included to maintain services. An offsetting reduction was made in the Police Department's General Fund budget.

## STRATEGIC INITIATIVES

SAFE CITY	Completed Initiative	FY 12-13 Initiative	Ongoing Initiative
Assist victims of crime with obtaining counseling, financial assistance, and help in dealing with the judicial system.			<input checked="" type="checkbox"/>

# UTILITY UNDERGROUNDING

The Utility Undergrounding Fund is used to record a 1% Duke Energy franchise fee dedicated to utility undergrounding projects. When a project is selected, Duke Energy will match the City's effort up to an amount equal to 0.5% of Duke revenues. The fund will be used to pay for undergrounding and relocation of utility lines throughout the City in order to minimize power outages.

UTILITY UNDERGROUNDING FUND				
	2009-10	2010-11	2011-12	2012-13
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
<b>REVENUES</b>				
1% Franchise Fee	\$ 885,027	924,337	973,750	996,000
<b>TOTAL REVENUES</b>	<b>885,027</b>	<b>924,337</b>	<b>973,750</b>	<b>996,000</b>
<b>EXPENDITURES / TRANSFERS OUT</b>				
Personnel and Operating	75,934	74,826	81,051	111,374
Utility Undergrounding	125,207	133,417	872,639	852,444
Transfer to General Fund	19,219	21,372	20,060	32,182
<b>TOTAL EXPENDITURES</b>	<b>220,360</b>	<b>229,615</b>	<b>973,750</b>	<b>996,000</b>
Excess (deficiency) of revenues over expenditures	664,667	694,722	0	0
Fund balance, beginning of year	325,716	990,383	1,685,105	1,685,105
Fund balance, end of year	\$ 990,383	1,685,105	1,685,105	1,685,105
<b>STAFFING</b>				
Full-Time Staff	1	1	1	1

## FY 2012-13 BUDGET HIGHLIGHTS

The Utility Undergrounding Fund budget reflects:

- Revenues from the Duke Franchise Fee are projected to increase 2.3% over the FY 2011-12 budget estimate based on current year collections.
- Personnel services increase by \$30,283 to accommodate a redefined Utility Programs Manager position and to assign 50% of the salary to a new Civil Engineer position in Engineering.

